

PROJECTED NORMAL YEAR SUPPLY AND DEMAND COMPARISON – AF/Y (TABLE 26)

	2005	2010	2015	2020	2025	2030
San Diego County Water Authority	17,400	16,149	15,773	15,625	15,189	15,241
Groundwater supplier: Santa Margarita River	0	6,000	6,000	6,000	6,000	6,000
Groundwater supplier: local wells in Fallbrook	130	100	100	100	100	100
Surface diversions: rainfall into Lake Skinner	1,260	1,000	1,000	1,000	1,000	1,000
Recycled water	317	480	530	590	600	600
Total Supply	19,107	23,729	23,403	23,315	22,889	22,941
Supply as % of year 2005	100%	124%	122%	121%	119%	119%
Total Demand	14,785	16,629	16,303	16,215	15,789	15,841
Demand as % of year 2005	100%	112%	110%	110%	107%	107%
Difference (supply minus demand)	4,322	7,100	7,100	7,100	7,100	7,100

7.2 PROJECTED SINGLE-DRY-YEAR SUPPLY AND DEMAND COMPARISON

The table below illustrates the projected supply and demand under weather conditions for a single dry year. Since nearly all FPUD's water is imported from the San Diego County Water Authority, more information on the Water Authority's projections can be found in the Water Authority's 2005 Urban Water Management Plan.

Changes in weather can lead to changes in water use. During dry years, water demands can be expected to increase. The Water Authority uses a computer model known as CWA-MAIN to estimate water demands. CWA-MAIN uses demographic and economic data, as well as weather data, to estimate water demands. Using CWA-MAIN, the Water Authority estimated dry-year demands for five-year increments from 2010 through 2030. On average, the dry-year demands were 7% higher than the normal demands. FPUD has elected to use the same 7% factor to estimate its dry-year demands. The District's recycled water supply is assumed to be "drought-proof" and not subject to reduction during dry periods.

PROJECTED SINGLE DRY-YEAR SUPPLY AND DEMAND COMPARISON – AF/Y (TABLE 27)

	2010	2015	2020	2025	2030
San Diego County Water Authority	17,279	16,877	16,719	16,252	16,308
Groundwater supplier: Santa Margarita River	3,000	3,000	3,000	3,000	3,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	480	530	590	600	600
Total Supply	20,759	20,407	20,309	19,852	19,908
% of Normal year	107%	107%	107%	107%	107%
Total Demand	17,793	17,444	17,350	16,894	16,950
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	2,966	2,963	2,959	2,958	2,958

7.3 PROJECTED MULTIPLE-DRY-YEAR SUPPLY AND DEMAND COMPARISON

The Urban Water Management Planning Act requires agencies to project demands and supplies during multiple dry years. Projections were prepared for five 5-year increments, ending in the following years: 2010, 2015, 2020, 2025 and 2030

PROJECTED MULTIPLE DRY-YEAR PERIOD ENDING IN 2010 – AF/Y (TABLE 28)

	2006	2007	2008	2009	2010
San Diego County Water Authority	17,150	16,900	16,650	16,400	16,149
Groundwater supplier: Santa Margarita River	2,000	2,000	2,000	2,000	2,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	317	317	317	317	480
Total Supply	19,467	19,217	18,967	18,717	18,629
% of Normal year	107%	107%	107%	107%	107%
Total Demand	15,155	15,524	15,893	16,212	16,629
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	4,312	3,693	3,074	2,505	2,000

PROJECTED MULTIPLE DRY-YEAR PERIOD ENDING IN 2015 – AF/Y (TABLE 29)

	2011	2012	2013	2014	2015
San Diego County Water Authority	16,074	15,999	15,924	15,849	15,773
Groundwater supplier: Santa Margarita River	2,000	2,000	2,000	2,000	2,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	480	480	480	480	530
Total Supply	18,554	18,479	18,404	18,329	18,303
% of Normal year	107%	107%	107%	107%	107%
Total Demand	16,564	16,499	16,434	16,369	16,303
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	1,990	1,980	1,970	1,960	2000

PROJECTED MULTIPLE DRY-YEAR PERIOD ENDING IN 2020 – AF/Y (TABLE 30)

	2016	2017	2018	2019	2020
San Diego County Water Authority	15,743	15,713	15,683	15,653	15,625
Groundwater supplier: Santa Margarita River	2,000	2,000	2,000	2,000	2,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	530	530	530	530	590
Total Supply	18,273	18,243	18,213	18,183	18,215
% of Normal year	107%	107%	107%	107%	107%
Total Demand	16,286	16,269	16,251	16,233	16,215
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	1,987	1,974	1,962	1,950	2,000

PROJECTED MULTIPLE DRY-YEAR PERIOD ENDING IN 2025 – AF/Y (TABLE 31)

Fiscal year	2021	2022	2023	2024	2025
San Diego County Water Authority	15,538	15,451	15,364	15,277	15,189
Groundwater supplier: Santa Margarita River	2,000	2,000	2,000	2,000	2,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	590	590	590	590	600
Total Supply	18,128	18,041	17,954	17,867	17,789
% of Normal year	107%	107%	107%	107%	107%
Total Demand	16,130	16,045	15,960	15,875	15,789
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	1,998	1,996	1,994	1,992	2,000

PROJECTED MULTIPLE DRY-YEAR PERIOD ENDING IN 2030 – AF/Y (TABLE 32)

Fiscal year	2026	2027	2028	2029	2030
San Diego County Water Authority	15,199	15,209	15,219	15,229	15,241
Groundwater supplier: Santa Margarita River	2,000	2,000	2,000	2,000	2,000
Groundwater supplier: local wells in Fallbrook	0	0	0	0	0
Surface diversions: rainfall into Lake Skinner	0	0	0	0	0
Recycled water	600	600	600	600	600
Total Supply	17,799	17,809	17,819	17,829	17,841
% of Normal year	107%	107%	107%	107%	107%
Total Demand	15,799	15,809	15,819	15,829	15,841
% of Normal year	107%	107%	107%	107%	107%
Difference (supply minus demand)	2,000	2,000	2,000	2,000	2,000

RESOLUTION NO. 4524

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FALLBROOK PUBLIC
UTILITY DISTRICT ADOPTING THE 2005 URBAN WATER MANAGEMENT
PLAN UPDATE FOR FALLBROOK PUBLIC UTILITY DISTRICT**

*** * * * ***

WHEREAS, the proper and most effective conservation of our public water resources is essential to ensuring adequate water supplies now and in the future; and,

WHEREAS, water conservation must be a permanent way of life for all residents living in semi-arid southern California; and,

WHEREAS, the Fallbrook Public Utility District has updated their Urban Water Management Plan (the "Plan") pursuant to the requirements of California Water Code Section 10621, et. seq.; and,

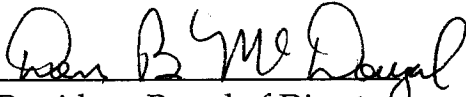
WHEREAS, the Plan is the formal document to discuss past, current and projected water demands; current and alternate conservation measures; water supply deficiencies and future water management practices for the Fallbrook service area;

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the Fallbrook Public Utility District as follows:

1. The Board of Directors of the Fallbrook Public Utility District approves and adopts the updated Plan entitled "2005 Urban Water Management Plan Update for Fallbrook Public Utility District".
2. The General Manager of the District is authorized and directed to implement the water conservation measures included in the updated Plan as the District's part in the local, regional and statewide water conservation effort.

PASSED AND ADOPTED by the Board of Directors of the
Fallbrook Public Utility District at a regular meeting of the
Board held on the 12th day of December, 2005, by the
following vote:

AYES: Battle, Davies, Gunnarsson, Hayden, McDougal
NOES: None
ABSENT: None



President, Board of Directors

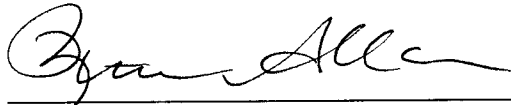
ATTEST:



Secretary, Board of Directors

I, RUTH ALLEN, Secretary of the Board of Directors of the FALLBROOK PUBLIC UTILITY DISTRICT, do hereby certify that the attached and foregoing is a full, true, and correct copy of Resolution No. 4524 of said Board adopted at a regular meeting of the Board of Directors on December 12, 2005.

Date: 12/16/05

A handwritten signature in cursive script, appearing to read "Ruth Allen", written in black ink.

Secretary, Board of Directors
FALLBROOK PUBLIC UTILITY DISTRICT

Appendix A
FPUD's Water Conservation Ordinance

Article 25.

Water Conservation Plan

Sec. 25.1 Declaration of Policy.

California Water Code Sections 375 et seq. permit public entities which supply water at retail to adopt and enforce a water conservation program to reduce the quantity of water used by the people therein for the purpose of conserving the water supplies of such public entity. The Board of Directors hereby establishes a comprehensive water conservation program pursuant to California Water Code Sections 375 et seq., based upon the need to conserve water supplies and to avoid or minimize the effects of any future shortage.

Sec. 25.2 Findings.

The Board of Directors finds and determines that a water shortage could exist as a result of a general regional water supply shortage due to increased demand or limited supplies.

The Board of Directors also finds and determines that the conditions prevailing in the coastal San Diego County area require that the water resources available be put to maximum beneficial use to the extent to which they are capable, and that the waste or unreasonable use, or unreasonable method of use, of water be prevented and that the conservation of such water encouraged with a view to the maximum reasonable and beneficial use thereof in the interests of the people of the Fallbrook Public Utility District and for the public welfare.

Sec. 25.3 Application.

The provisions of this Administrative Code shall apply to all water served to persons, customers, and property by the Fallbrook Public Utility District.

Sec. 25.4 Authorization.

Based on information provided by the District's wholesale water agency of water availability supplies, the Fallbrook Public Utility District General Manager (or in the General Manager's absence his designee) is hereby authorized and directed to implement the provisions of this Administrative Code. Additionally, the General Manager (or in the General Manager's absence, the Assistant General Manager) is hereby authorized to make minor and limited exceptions to prevent undue hardship or unreasonable restrictions, provided that water shall not be wasted or used unreasonably and the purpose of this Administrative Code can be accomplished. Any such exceptions shall be reported to the Board of Directors at the next meeting.

The General Manager is authorized to require submission of water use curtailment plans from those users having the largest effect on overall District consumption in order to protect the minimum supplies necessary to provide for public health, sanitation, and fire protection. Failure to provide curtailment plans in a timely manner or plans that do not meet the required cutbacks shall authorize the District to install flow restrictors at the meter or termination of service.

Sec. 25.5 Duration of Declaration.

As soon as a particular condition is declared to exist, the water conservation measures provided for herein for that condition shall apply to all District water service until a different condition is declared.

Sec. 25.6 Mandatory and Discretionary Use of Recycled Water.

Nothing in this Administrative Code shall prohibit or limit the use of recycled water for any purposes listed herein. No customer of the District shall make, cause, use or permit the use of potable water supplied by the District for construction grading on major subdivisions, paved surface cleaning, or greenbelt uses, including, but not limited to, cemeteries, playing fields, parks, and highway landscaped areas, when, following notice and a hearing, the District finds that recycled water is available under the following conditions:

1. the recycled water is of adequate quality and is available for use.
2. the recycled water may be furnished to such areas at a reasonable cost, equal to or less than the cost of supplying potable domestic water.
3. the State Department of Health Services has determined that such use would not be detrimental to public health.
4. the use of recycled water will not adversely affect downstream water rights, and will not degrade water quality.

Sec. 25.7 Water Conservation Stages.

25.7.1 STAGE 1 - VOLUNTARY COMPLIANCE - WATER WATCH.

During Water Watch, customers are asked to use water wisely and to practice water conservation measures so that water is not wasted.

No water furnished by the District will be wasted. All water withdrawn from District facilities shall be put to reasonable beneficial use. Waste of water includes, but is not limited to:

1. Permitting excessive water to flow off the property served onto adjacent properties or sidewalks, gutters, surface drains, storm drains, or overland.
2. Excessive surface irrigation of agricultural lands or landscaped areas, resulting in conditions such as puddling and/or run-off.
3. Failure to repair an observable leak of water on the customer's premises.
4. Washing down driveways, parking lots and other paved surfaces except to alleviate immediate fire or sanitation hazards.

5. Leaving a hose running when washing your car or truck.

25.7.2

STAGE 2 - ENFORCEMENT REQUIRED - 10% WATER SHORTAGE.

STAGE 2 applies during periods when the District determines that it may not be able to meet all of the water demands of its customers, either now or in the foreseeable future, and that water use should be reduced. During STAGE 2, the following water conservation measures shall apply, including all provisions and conditions of STAGE 1, except when reclaimed water or private well water is used:

1. Lawn watering and landscape irrigation, including construction meter irrigation, is permitted only between the hours of 5:00 p.m. Pacific Daylight Savings Time (PDST), or 4:00 p.m. Pacific Standard Time (PST) and 9:00 a.m. the following day. Watering is permitted at any hour if a hand-held nozzle equipped with a positive shut-off nozzle is used, a hand-held container is used, or a drip irrigation system is used.

2. Construction meter water may be used on projects between 7:00 a.m. and 5:00 p.m. local time.

3. Agricultural users and commercial nurseries as defined in the Metropolitan Water District Code are exempt from STAGE 2 irrigation restrictions. The watering of livestock and irrigation of propagation beds is permitted at any time.

4. Washing of autos, trucks, trailers, boats, airplanes and other types of mobile equipment may be done at any hour with a hand-held bucket or a hand-held hose equipped with a positive shut-off nozzle for quick rinses. Washing is permitted at a commercial car wash, or by a mobile car wash or on-site car wash using high pressure washing equipment.

5. The over filling of swimming pools, spas, ponds, and artificial lakes is prohibited.

6. Irrigation of parks, school grounds and recreational fields is permitted only between the hours of 5:00 p.m. PDST (4:00 p.m. PST) and 9:00 a.m. the following day.

7. The use of water from fire hydrants shall be limited to fire fighting and related activities, approved metered uses or other activities necessary to maintain the health, safety and welfare of the public.

8. Construction operations receiving water from a construction meter shall not use water for any purposes

other than those required by regulatory agencies. Construction projects requiring watering for new landscaping materials shall adhere to the allowed watering hours set forth in item No. 2. If the District is notified in writing that initial landscape materials will be adversely affected by these restrictions, the District may establish a reasonable schedule for initial irrigation. The District has the right to inspect all construction sites using water from a District construction meter for the efficient use of water.

9. Restaurants shall not serve water to their customers except when specifically requested.

10. Operation of ornamental fountains that do not recycle water is prohibited. Ornamental fountains may operate if they recirculate water or use reclaimed water or private well water.

11. No annexations of land outside the District's current service area will be considered.

12. Special water conservation rates shall apply during STAGE 2 in accordance with Article 19 of this Administrative Code.

25.7.3

STAGE 3 - ENFORCEMENT REQUIRED - 15% WATER SHORTAGE.

STAGE 3 applies during periods when the District determines that it will not be able to meet all of the water demands of its customers now or in the foreseeable future and that a 15% reduction in water use is required to meet minimal needs of all of its customers. During STAGE 3, all provisions and conditions of STAGE 1 and STAGE 2 shall apply, and in addition, the following additional restrictions shall apply except when reclaimed water or private well water is used:

1. Lawn watering and landscape irrigation, including schools, parks, other recreational areas, and construction meter irrigation, is permitted only between the hours of 5:00 p.m. PDST (4:00 p.m. PST) and 9:00 a.m. Watering is permitted at any time if a hand-held container or drip irrigation system is used.

2. Agricultural users, commercial nurseries, and all other commercial accounts shall institute plans to curtail water use by 15% in accordance with allocations under Article 19 of this Administrative Code. Maximum application of water during night periods is encouraged. The watering of livestock and irrigation of propagation beds is permitted at any time. In the interests of public health and sanitation, hospitals and commercial laundromats are exempt.

3. The use of water from fire hydrants shall be limited to fire fighting, approved metered uses, or other activities necessary to maintain the health, safety and welfare of the public.

4. Users are encouraged to wash autos, trucks, trailers, boats, airplanes and other types of mobile equipment at a commercial car wash which is equipped with a water reclamation system capable of reducing water demand by 80% or at a self-serve commercial car wash that can demonstrate water use at equivalent demand. Further, such washings are excepted from these regulations where the health, safety and welfare of the public is contingent upon frequent vehicle cleanings such as garbage trucks and vehicles used to transport food and perishables. Commercial car washes operating under these rules shall reduce overall use by 15% in accordance with allocations in Article 19 of this Administrative Code.

5. Draining and refilling, and overfilling of swimming pools and spas is prohibited. The filling or refilling of ponds and artificial lakes is prohibited.

6. The operation of any ornamental fountain or similar structure is prohibited.

7. No new construction meters will be issued.

8. Special water conservation rates shall apply during STAGE 3 in accordance with Article 19 of this Administrative Code.

25.7.4

STAGE 4 - ENFORCEMENT REQUIRED - 20% WATER SHORTAGE.

STAGE 4 applies during periods when the District determines that it will not be able to meet all of the water demands of its customers now or in the foreseeable future and that a 20% reduction in water use is required to meet minimal needs of all of its customers. During STAGE 4, all provisions and conditions of STAGES 1, 2, and 3 shall apply, and in addition, the following additional restrictions shall apply, except when reclaimed water or private well water is used:

1. Irrigation of lawn, turf, and ornamental landscaping at residential, commercial, schools, parks, and other similar properties is permitted as long as an overall reduction of at least 20% is met.

2. Agricultural users, commercial nurseries, commercial car washes, and all other commercial accounts shall institute plans to curtail water use by 20% in accordance with allocations in Article 19 of this Administrative Code.

In the interests of public health and sanitation, hospitals and commercial laundromats are exempt.

3. Special water conservation rates shall apply during STAGE 4 in accordance with Article 19 of this Administrative Code.

25.7.5

STAGE 5 - ENFORCEMENT REQUIRED - 30% WATER SHORTAGE.

STAGE 5 applies during periods when the District determines that it will not be able to meet all of the water demands of its customers now or in the foreseeable future and that a 30% reduction in water use is required to meet minimal needs of all of its customers. During STAGE 5, all provisions and conditions of STAGES 1, 2, 3, and 4 shall apply, and in addition, the following additional restrictions shall apply except when reclaimed water or private well water is used:

1. Irrigation of lawn, turf and ornamental landscaping shall be reduced to only minimal amounts necessary to keep plants alive by use of such irrigation techniques as hand watering, drip irrigation, or such other measures a property owner chooses that enables them to meet their 30% reduction target, or if not assigned a target, to reduce their total water use to within the second block of the three tier inclining block rate structure (see Article 19). Irrigation of vegetables, family fruit trees, and other edible plants for human consumption using low pressure, low volume, or drip irrigation techniques is permissible.

2. Agricultural users, commercial nurseries, commercial car washes, and all other commercial accounts shall institute plans to curtail water use by 30% in accordance with allocations in Article 19 of this Administrative Code. In the interests of public health and sanitation, hospitals and commercial laundromats are exempt.

3. Special water conservation rates shall apply during STAGE 5 in accordance with Article 19 of this Administrative Code.

25.7.6

STAGE 6 - ENFORCEMENT REQUIRED - 50% WATER SHORTAGE.

STAGE 6 applies during periods of a water shortage Emergency. During STAGE 6, a 50% reduction in water use is required to meet minimal needs of customers. During STAGE 6, all provisions and conditions of STAGES 1, 2, 3, 4, and 5 apply. Additional restrictions on use are set forth in Ordinance No. 250 dated March 23, 1992.

An Annual Allocation Management Plan will begin on April 1 of each year allowing a 30-day grace period for accrued credits from the previous year to be used. The grace period will expire on April 30 and no prior year credits will be available after that date.

Water consumed during each billing period will be compared to the assigned target. Any use below will be accumulated and carried forward. The customer's cumulative use will be compared with the cumulative target, and any total usage above the target will be billed at the "above target" rates. This cumulative comparison will continue as long as these special water conservation rates are in effect. Below target usage "credits" will be carried forward until the cumulative target is exceeded, at which time, all cumulative "over target" use will be billed at the "above target" rates and the cumulative comparison process will start over.

Sec. 25.8 Appeals for Exceptions in Stages 3,4,5 or 6.

A Citizens Appeals Committee may be established by the Board of Directors to handle appeals for special circumstances that exist in STAGES 3, 4, 5 or 6. All appeals must be in writing. The determination of the Citizens Appeals Committee will be provided to the customer in writing. The following are some examples of appealable circumstances, but is not intended to be all inclusive:

1. commercial buildings that were empty or partially occupied during base period but are now occupied to a greater degree and require more water.
2. a grove with new trees planted a year before the base period began that, in the third year of growth, would need additional water.
3. agricultural land used for annual crops that had abnormally low irrigation application during the base year.
4. customers with more than one water service account and wish to transfer portions of one meter allocation to another.
5. domestic (3/4" bi-monthly billing) customers whose usage would more appropriately be assigned a Target and billed monthly like the domestic (1") accounts, or vice versa.

Any customer who disagrees with the Citizens Appeals Committee determination may appeal the determination by written notice to the Board of Directors, received by the District within ten (10) days of the Citizens Appeals Committee written decision. Any determination not appealed within ten (10) days is final. All consideration of appeal to the Board of Directors will be handled at Board meetings conducted as part of their routine business.

If a Citizens Appeals Committee has not been activated, appeals will be processed by the District's Staff and approved by the General Manager. Decisions of the

General Manager may be appealed to the Board of Directors in similar procedures for those heard by a Citizens Appeals Committee.

Sec. 25.9 Implementation of Conservation Stages.

The General Manager shall monitor the projected supply and demand for water by its customers on a daily basis. The General Manager shall determine the extent of the conservation required through the implementation and/or termination of particular conservation stages in order for the District to prudently plan for and supply water to its customers. Thereafter, the General Manager may order that the appropriate stage of water conservation be implemented or terminated in accordance with the applicable provision of this Administrative Code. The declaration of any stage beyond STAGE 1 shall be made by public announcement and notice shall be published a minimum of three (3) consecutive times in a newspaper of general circulation. The stage designated shall become effective immediately upon announcement. The declaration of any stage beyond STAGE 1 shall be reported to the Board of Directors at its next meeting. The Board shall thereupon ratify the declaration, rescind the declaration, or direct the declaration of a different stage.

Sec. 25.10 Authority, Violation Misdemeanor, Enforcement, Effective Date.

25.10.1 Authority - Misdemeanor. This Section is adopted pursuant to Section 375 through 377 of the California Water Code. Any violation of this Administrative Code is a misdemeanor (California Water Code Section 377). Upon conviction thereof such person shall be punished by imprisonment in the County jail for not more than thirty (30) days or by a fine not exceeding One Thousand Dollars (\$1,000.00) or both.

25.10.2 Remedies. Remedies under this Administrative Code for violations are not exclusive and may be imposed cumulatively in the discretion of the District. For example, depending on the enforcement level, a violator may pay an increased charge for water, be penalized, be subject to a flow restrictor, and be prosecuted criminally. In addition to any other authorized remedies for the enforcement of this Administrative Code, surcharges shall be imposed and service of water shall be discontinued or appropriately limited when water is used in violation of any provisions hereof. Customers whether they are billed monthly or bimonthly, who are billed in Block 3 for two consecutive billing periods per Article 19 of this Administrative Code will be considered to have violated the Code and subject to the provisions of this Section.

 Surcharges and the cost of disconnecting or limiting service shall be the responsibility of the property owner and the person in whose name service is maintained. The General Manager of the District, or his designee, shall determine if and when violations occur.

25.10.3 Appeals of Violations.

a) Any customer disagreeing with the determination may appeal the determination by written notice received by the District within ten (10) days of the mailing of a Notice of Determination.

Any determination not appealed within ten (10) days is final. Upon timely filing of an appeal, the District shall mail a notice to the property owner and the person in whose name service is maintained at least ten (10) days prior to the regular or special meeting at which the appeal will be heard. The Board may, in its discretion, affirm, reverse or modify the determination.

b) Pending any appeal or hearing provided for herein, the General Manager or his designee may take appropriate steps to prevent the unauthorized use of water as appropriate to the nature and extent of the violation and the current declared water conditions, including, but not limited to, the installation of a flow restrictor in the meter or discontinuance of water service. The General Manager shall keep the Board of Directors advised of the action taken. If the appeal is granted and the removal of the flow restriction or discontinuance of water service falls during non-business hours, service will be restored sometime during the next business day.

If the appeal is unsuccessful, the Board of Directors, at its discretion, may assess the customer for the cost of the appeal.

25.10.4

Surcharges.

a) Any surcharge levied under paragraph 7, Enforcement, of this Section shall be in addition to any costs for water billed under the rates specified in Article 19 of this Administrative Code or other charges of the District. These surcharges are in direct proportion to investigating possible violations, executing enforcement provisions and the increased cost of water. The surcharges shall appear on and be payable with the first billing statement for the period during which the violation occurred and be subject to the same remedies that are imposed by the District for the failure to pay other charges.

b) In addition to any surcharges imposed, the cost of installing or removing flow restrictor devices and/or disconnecting or connecting services shall be paid promptly upon billing for the appropriate service.

25.10.5

Multiple Violations.

a) Violation status will be based on a 12 month moving year. The date of occurrence of the first violation is the

first day of a 12-month moving year. The next violation to occur within that 12-month moving year is a second violation. Any additional violation within the same 12-month moving year is a third violation. After one year from the first violation has elapsed, the second violation shall become the new first violation and the date of the original second violation shall become the first day of a new 12-month moving year. The third violation shall then be considered the second violation within the new 12-month moving year. The above sequence will continue to apply for additional violations within successive 12-month moving years.

b) The enforcement provisions applied to customers will be determined by correlating the violation number to the corresponding provision under the water consideration state at the time of the violation.

25.10.6 Exemptions. Exemptions may be granted in emergency situations. This exemption is primarily to be issued for health and safety reasons. The exemptions may be obtained by submitting a written request to the District. The General Manager of the District or his designee shall determine if and when an exemption should be granted. Any customer disagreeing with the determination may appeal the determination by written notice received by the District within ten (10) days of mailing of a notice of determination. Any determination not appealed within ten (10) days is final. The District shall give notice to the property owner and the person in whose name service is maintained ten (10) days prior to the regular or special meeting at which the appeal will be heard. The decision of the Board of Directors is final.

If the appeal is unsuccessful, the Board of Directors, at its discretion, may assess the customer for the cost of the appeal.

25.10.7 Enforcement. Surcharges levied in this section shall be considered normal charges for water used, and collected through the District's routine water billing process.

Sec. 25.11 Violations by Stages.

25.11.1 STAGE 1 - WATER WATCH.

1. If a customer's first violation occurs during STAGE 1, the District shall issue a letter of warning accompanied by a copy of this section of the Administrative Code to the customer and/or the legal owner.

2. If a customer's second violation within a 12-month moving year occurs during STAGE 1, it shall result in a \$100 surcharge.

3. If any subsequent violations occur during STAGE 1, within a 12-month moving year, it shall result in a \$300 surcharge.

25.11.2 STAGE 2 - 10% WATER SHORTAGE.

1. If a customer's first violation occurs during a STAGE 2 water shortage, the District shall issue a letter of warning accompanied by a copy of this section of the Administrative Code to the customer and/or the legal owner.

2. If a customer's second violation within a 12-month moving year occurs during a STAGE 2 shortage, it shall result in a \$200 surcharge.

3. If any subsequent violations occur during a STAGE 2 water shortage within a 12-month moving year, it shall result in a \$400 surcharge. In addition, the Board of Directors shall conduct a hearing and may, in its discretion, either (a) install a flow restrictor on the meter, or (b) discontinue water service, each for such period of time as the Board of Directors determines appropriate under the circumstances. The District shall at least ten (10) days before the date set for hearing, mail an appropriate written notice of the hearing to the property owner and the person in whose name service is maintained.

25.11.3 STAGE 3 - 15% WATER SHORTAGE.

1. If a customer's first violation occurs during a STAGE 3 water shortage, the District shall issue a letter of warning accompanied by a copy of this section of the Administrative Code to the customer and/or the legal owner.

2. If a customer's second violation within a 12-month moving year occurs during a STAGE 3 water shortage, it shall result in a \$500 surcharge.

3. If any subsequent violations occur within a 12-month moving year, during a STAGE 3 water shortage, it shall result in a \$750 surcharge. In addition, the Board of Directors shall conduct a hearing and may, in its discretion, either (a) install a flow restrictor on the meter or (b) discontinue water service, each for such period of time as the Board of Directors determines appropriate under the circumstances.

The District shall, at least ten (10) days before the date set for hearing, mail an appropriate written notice of the hearing to the property owner and the person in whose name service is maintained.

25.11.4

STAGES 4, 5 and 6 - 20%/30%/50% WATER SHORTAGE.

1. If a customer's first violation occurs within a STAGE 4, 5 or 6, the District shall issue a letter of warning accompanied by a copy of this section of the Administrative Code to the customer and/or the legal owner.
2. If a customer's second violation within a 12-month moving year occurs during a STAGE 4, 5, or 6, it shall result in a \$750 surcharge.
3. If any subsequent violations within a 12-month moving year occurs during a STAGE 4, 5, or 6, it shall result in a \$1,000 surcharge. In addition, the Board of Directors shall conduct a hearing and may, in its discretion, either install a flow restrictor on the meter or discontinue water service, each for such period of time as the Board of Directors determines appropriate under the circumstances. The District shall at least ten (10) days before the date set for hearing, mail an appropriate written notice of the hearing to the property owner and to the person in whose name service is maintained.

ARTICLE 25

Sec. 25.6 – Rev. 7/97

Appendix B
FPUD's Recycled Water Ordinance

Article 27.

Recycled Water Program

Sec. 27.1 Declaration of Policy.

The Board of Directors of the Fallbrook Public Utility District hereby finds that it is in the best interest of the District and its customers to establish that recycled water and other non-potable water shall be used within its jurisdiction. It is further found that use of such water is financially and technically feasible, and consistent with preservation of public health, safety, welfare, and the environment. The District may provide for non-potable water on a temporary or permanent basis.

The use of potable water for irrigation or other non-potable uses is prohibited where non-potable water is suitable and available.

Ordinance No. 241

Sec. 27.2 Definitions.

a) Agricultural Uses

Agricultural uses include: Annual Agricultural Products, field and row crops grown for seed or other annual plants; Perennial Agricultural Products, field and nursery crops, trees, vines and other perennial plants, and the watering of livestock.

b) Approved Backflow Prevention Device

A device installed to protect the potable water supply from contamination by recycled water. This device shall be recognized and approved for use for this purpose by The Foundation For Cross Connection Control of the University of Southern California.

c) Artificial Lake

A man-made lake, pond, lagoon, or other body of water that is used wholly or partly for landscape, scenic or non-contact recreational purposes.

d) Board

The duly elected and constituted Board of Directors of the Fallbrook Public Utility District.

e) Cross-Connection

Any unprotected connection between any part of a water system used or intended to supply potable water and any source or system containing recycled or other water or substance that is not potable for human consumption.

f) Designated User

A user whose uses the Board of Directors has determined can best be served by the application of non-potable water under the provisions of this Article of the Administrative Code.

g) District

The Fallbrook Public Utility District, a duly constituted Public Agency of the State of California, and located in San Diego County, California.

h) Greenbelt Areas

Greenbelt areas include, but are not limited to, golf courses, playing fields, cemeteries, parks, and landscaping.

i) Industrial Process Water

Water used by any industrial facility with process water requirements which includes, but is not limited to, rinsing, washing, cooling and circulation, or construction.

j) Manager

The duly appointed General Manager of the Fallbrook Public Utility District, or his designee.

k) Non-Potable Water

Water which does not conform to federal, state, and local standards for human consumption.

l) Non-Potable Water Distribution System

A piping system intended for the delivery of non-potable water only, and which is maintained separate from any potable water distribution system.

m) Non-Potable Water Transmission Mains

Non-potable water lines and appurtenance owned by the District.

n) Non-Potable Water Use Area

The property, or portion of property, which has been approved by the District for non-potable water service.

o) Notice of Determination

The notice provided to a designated user by the District.

p) Off-Site Facilities

Those facilities located off the user's site and under the control of the District, including the service meter, and any backflow prevention devices installed with the meter.

q) On-Site Facilities

Facilities under the control of the customer beginning at the meter.

r) Potable Water

That water furnished to the customer that is satisfactory for domestic consumption, and conforms to the standard set forth in the latest edition of the United States Public Health Service Drinking Water Standards, the California Safe Drinking Water Act, or any other applicable standards.

s) Recycled Water

Water that is defined in Title 22, Division 4, Chapter 3, Article 60301, paragraph 8, of the California Administrative Code and shall mean water which, as a result of filtration and disinfection of domestic wastewater, is suitable for a direct beneficial use or a controlled use that otherwise would not occur.

t) Recycled Water Facilities

Facilities used in the storage, pumping, and conveyance of recycled water. Recycled water facilities are intended to provide reclaimed water for uses such as landscape irrigation, agricultural irrigation, construction, or industrial process water.

u) Recycled Water Service Connection

The point of connection of the customer's recycled water line with the recycled water service line of the District, which shall normally be the downstream end of the recycled water meter tailpiece.

v) User's Water Supervisor

A qualified person, designated by a recycled water user and approved by the District, who shall be knowledgeable in the construction and operation of on-site facilities, irrigation systems, and in the application of the guidelines, criteria, standards, rules, and regulations for use of recycled water.

Sec. 27.3 Administration.

a) Manager

The District General Manager shall administer, implement, and enforce the provisions of this Article of the Administrative Code. Any duties imposed upon the Manager may be delegated by him to persons in the employ of the District.

b) Regulations

The Manager shall make and enforce regulations necessary to the administration of this Article of the Administrative Code.

c) Non-Potable Water Master Plan

Manager shall prepare a Non-Potable Water Master Plan. The Plan shall include, but not be limited to, actual and future planning for non-potable water use. Approvals of developments shall be consistent with the Plan in all respects including developer piping for non-potable uses.

d) Public Awareness Program

The District shall establish a comprehensive non-potable water Public Awareness and Assistance Program.

e) Coordination Among Agencies

The District shall examine the potential for initiating a coordinated effort between the District and other public agencies. The purpose of this effort shall be to share in the production and utilization of non-potable water.

f) Fees and Charges

All fees and charges for the use of non-potable water shall be established separately by the Board in Article 20 of the Administrative Code.

g) Payment for On-Site Facilities

The Designated User shall pay for all on-site facilities, including backflow prevention devices that may be necessary to protect the health and safety of on-site residents or employees. The Designated User of non-

potable water shall comply with all requirements of applicable federal, state, and local statutes, ordinances and regulations.

Sec. 27.4 Suspension or Termination of Service.

27.4.1 Suspension of Non-Potable Water Service. Non-potable water service may be suspended or terminated at any time by the Manager. Reasons for suspension or termination shall include, but not be limited to, the following:

1. Failure by a Designated User to adhere to the provisions of this Ordinance.
2. The protection of health, safety, and welfare.
3. The protection of non-potable water facilities or to make repairs thereto.
4. Failure of any Designated User to pay all of the fees and charges outlined in Article 20 of the Administrative Code.

27.4.2 Procedure. Where the District determines that service should be suspended or terminated, a written notice shall be mailed by regular mail to the customer at least ten (10) days prior to the date of proposed suspension or termination of services. This notice shall set forth the reasons therefore. In the event the District determines an emergency condition prevails at the time the written notice of proposed suspension or termination is mailed to the customer, the District may immediately suspend non-potable water service pending a determination of any appeal.

If an emergency condition does not prevail, the user shall have ten (10) days to come into compliance. Thereafter, the District may commence suspension or termination procedures herein.

27.4.3 Appeals. The customer may appeal the determination of the District as follows:

No later than ten (10) days following the date upon which the District Manager forwards to the customer a Notice of Suspension or Termination, the customer may appeal to the Board of Directors.

The Board of Directors shall conduct a hearing concerning the proposed determination within thirty (30) days of receipt of this written appeal. Within a reasonable time thereafter, the Board of Directors shall render a decision, which shall be final.

- 27.4.4 Prohibited Connections. No person shall make any connection to the non-potable water facilities of the District unless the District has executed a written Agreement with said person as Designated User of non-potable water service in accordance with the provisions of this Article of the Administrative Code.

Sec. 27.5 Implementation.

- 27.5.1 Designation of Users. A Notice of Determination that a specific water user shall be a Designated User of non-potable water shall be mailed to the potential Designated User by certified mail. A general description of the obligations of the potential Designated User shall accompany this notification. A proposed schedule for implementation of the use of non-potable water shall be included in this Notice.
- 27.5.2 Appeal. The potential Designated User may file a Notice of Appeal with the District within thirty days after the "Notice of Determination" has been sent. Upon receipt of the Appeal, the District Manager shall schedule a hearing of the appeal before the Board of Directors and provide notice in accordance with the rules of the District.

Following this hearing, the determination of the Board shall be final and binding.

- 27.5.3 Design and Construction of On-Site Facilities. The Designated User shall provide and install, at his expense, all on-site non-potable water facilities. Non-potable water facilities shall conform to state and local statutes, ordinances, regulations, and other requirements. The Designated User shall make, at his expense, any modifications to the potable water system on the premises which are required by the District in order to permit the safe use of non-potable water service. Such facilities shall include, but not be limited to, installation of approved backflow devices. Specifications and record drawings of on-site non-potable water facilities shall be prepared and be

available for inspection or use on the premises of the Designated User and at the District office.

27.5.4 Non-Potable Water Supervisor. The Designated User shall designate a Users' Water Supervisor and shall keep the District informed of his identity. The Water Supervisor shall be responsible for overseeing non-potable water service and maintaining on-site facilities on the property receiving such service. The Users' Water Supervisor shall be responsible for the prevention of any cross connections on the property and shall promptly advise the District of any cross connections that could occur or threaten to occur.

27.5.5 Conversion of Existing Facilities. Where a Designated User proposes a conversion of any existing potable water system to a non-potable water system, a comprehensive investigation of the system shall be performed at the expense of the Designated User. No potable water facility shall be connected or incorporated into the non-potable water system where such facilities have not been inspected and approved by the District.

27.5.6 User Agreement Form. Upon the final determination by the District that a property, or a portion of the property, shall be served with non-potable water, the Designated User shall execute a User Agreement with the District to implement the provisions of this Article of the Administrative Code. The District shall provide a general form of agreement.

Sec. 27.6 Water Meter Required.

All non-potable water used on any premises approved for non potable water service must be metered. The District shall be responsible for the enforcement of this requirement.

Sec. 27.7 Future Extension.

A project on any property of potential benefit as a result of future extension of the non-potable system must provide for the extension of the non-potable system at the time of project construction.

A property of potential benefit is defined as any subdivision lying on or within 1500 feet of a line running from Lange Reservoir to Martin Reservoir.

Sec. 27.8 Public Safety Requirements.

- 27.8.1 Cross-Connections. No Designated User or other party shall install or create cross connections between a potable water system and a non-potable water system.
- 27.8.2 Drinking Fountains. Any and all drinking fountains located within an area approved for use for non-potable water shall be protected by siting or shielding from contact with non-potable water, whether by windblown spray or by direct application through irrigation or otherwise approved uses.
- 27.8.3 Hose Bibs. No Designated User or other party shall use or install hose bibs on any on-site non-potable water facilities. Quick couplers shall be permitted subject to the approval of the District.
- 27.8.4 Fire Hydrants. No Designated User or other party shall use or install fire hydrants on any on-site system that is designed to operate with non-potable water regardless of the fire hydrant construction or identification.
- 27.8.5 Marking. Where any property subject to non-potable water service is served by, or contains, dual or multiple water systems and piping, the exposed portions of the pipelines for both potable and non-potable water shall be painted, banded, or marked to distinguish clearly which is used for potable and which is used for non-potable water. In addition, all new buried pipe installed on such property shall be similarly painted, banded, or marked with marker tape. All non-potable water outlets should be posted with the words, "NON-POTABLE WATER. DO NOT DRINK" and will be posted in English, Spanish and the international symbols where appropriate. All potable water outlets intended for drinking purposes shall be plainly marked. Main shut-off valves shall be clearly identified to distinguish between potable water and non-potable water. The District shall approve all painting, banding, or marking prior to installation.
- 27.8.6 Backflow Protection at the Meter. If a non-potable water customer requires potable water service on the same property, an RP back-flow preventer must be installed at the potable meter. The installation and maintenance cost will be a District expense.

Sec. 27.9 Regulations for Truck Load Delivery.

Delivery of recycled water by truck load delivery shall be made only to those authorized by permit granted by the San Diego Regional Water Quality Control Board to accept delivery in this manner.

Sec. 27.10 Miscellaneous.

If any section, subsection, sentence, clause or phrase of this Article of the Administrative Code is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Article of the Administrative Code. The Board of Directors hereby declares that it would have passed each section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, or sentences, clauses or phrases may be unconstitutional or invalid.

27.10.1 Non-Liability. The District will not be responsible or liable for any suspension in service of, or failure to supply, non-potable water, or for any damage or injury to person or property relating to the provision of non-potable water.

ARTICLE 27

Program Adopted 2/94
Sec. 27.9 – Rev. 6/95
Sec. 27.1-27.4, 27.6, 27.9, & 27.10 –
Rev. 7/97